

HEALTH SERVICES AND DEVELOPMENT AGENCY

COMMUNIQUE

MONTHLY PUBLICATION OF HEALTH SERVICES AND DEVELOPMENT AGENCY

Andrew Jackson Building, 9th Floor

502 Deaderick Street

Nashville, TN 37243

615.741.2364

November 2014

For Meeting verification/change or agenda information, please call the Agency Office
or check our website at www.tn.gov/hsda

HEALTH SERVICES AND DEVELOPMENT AGENCY

Chair.....D. Lynn Johnson
Vice-Chair.....Robert S. Doolittle
Executive Director.....Melanie Hill
General Counsel.....James Christoffersen

Tennessee Department of Health, Division of Policy, Planning and Assessment.....615/741-1954

Tennessee Department of Mental Health and Substance Abuse Services,
Office of General Counsel...615/532-6520 or Main Office.....615/532-6500

Tennessee Department of Intellectual and Development Disabilities,
Office of General Counsel...615/253-8731 or Main Office....615/532-6530 or 800-535-9725

CALENDAR

The Health Services and Development Agency will be closed on the following days:

2014

Tuesday, November 11—Veterans' Day
Thursday, November 27—Thanksgiving Day
*Friday, November 28—*substituted* for Columbus Day
Wednesday, December 24—Christmas Eve
Thursday, December 25—Christmas
Wednesday, December 31—New Year's Eve

2015

Thursday, January 1—New Year's Day
Monday, January 19—Martin Luther King Day
Monday, February 16—Presidents' Day
Friday, April 3—Good Friday
Monday, May 25—Memorial Day
Friday, July 3—Independence Day observed
Monday, September 7—Labor Day

*Monday, October 12—Columbus Day
Wednesday, November 11—Veterans' Day
Thursday, November 26—Thanksgiving Day
*Friday, November 27—*substituted* for Columbus Day
Thursday, December 24—Christmas Eve
Friday, December 25—Christmas
Thursday, December 31—New Year's Eve

* Columbus Day "Second Monday in October at the Governor's discretion may be observed the Friday after Thanksgiving.

2014 REVIEW CYCLE

2014 Cycle Month	Publication Dates— Letter of Intent	Application Due Date	HSDA Meeting Dates	*End of Appeal Period
August	07/01/2014-07/10/2014	5 days after Publication "	10/22/2014	11/06/2014
September	08/01/2014-08/10/2014	"	11/19/2014	12/04/2014
October	09/01/2014-9/10/2014	"	12/17/2014	01/01/2015
November	10/01/2014-10/10/2014	"	01/28/2015	02/12/2015
December	11/01/2014-11/10/2014	"	02/25/2015	03/12/2015

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the preceding business day.

*Appeal deadline is 15 days after meeting date.

2015 REVIEW CYCLE

2015 Cycle Month	Publication Dates— Letter of Intent	Application Due Date	HSDA Meeting Dates	*End of Appeal Period
January	12/01/2014-12/10/2014	5 days after Publication	03/25/2015	04/09/2015
February	01/01/2015-01/10/2015	"	04/22/2015	05/07/2015
March	02/01/2015-02/10/2015	"	05/27/2015	06/11/2015
April	03/01/2015-03/10/2015	"	06/24/2015	07/09/2015
May	04/01/2015-04/10/2015	"	07/22/2015	08/06/2015
June	05/01/2015-05/10/2015	"	08/26/2015	09/10/2015
July	06/01/2015-06/10/2015	5 days after Publication	09/23/2015	10/09/2015
August	07/01/2015-07/10/2015	"	10/28/2015	11/12/2015
September	08/01/2015-08/10/2015	"	11/18/2015	12/03/2015
October	09/01/2015-9/10/2015	"	12/16/2015	12/31/2015
November	10/01/2015-10/10/2015	"	01/27/2016	02/11/2016
December	11/01/2015-11/10/2015	"	02/24/2016	03/10/2016

STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, 9th FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR: JAMES CHRISTOFFERSEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, NINTH FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meetings are scheduled to be held at
8:30 a.m. CDT/CST
At the following locations:

November – December

Legislative Plaza
Room 12
Sixth Avenue North & Union Street
Nashville, TN

January – June

AT&T Tower
Main Auditorium
333 Commerce Street
Nashville, TN

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* Meeting locations are subject to change

** All meetings of the Health Services and Development Agency are
posted on the Agency's website at www.tn.gov/hsda

EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:

PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be Heard. The parties are encouraged to provide 15 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



RESULTS OF APPLICATIONS HEARD AT THE OCTOBER MEETING

Sumner Regional Medical Center (Sumner Station Campus)
225 Big Station Camp Road
Gallatin (Sumner County), TN 37066
CN1408-036

Contact Person: Michael Herman, Chief Operating Officer
Phone: 615-328-6695

CONSENT CALENDAR

APPROVED

The relocation of the linear accelerator service from the main campus at 555 Hartsville Pike, Gallatin (Sumner County), TN to the Sumner Station outpatient campus located at 225 Big Station Camp Boulevard, Gallatin (Sumner County), TN, a distance of approximately 6.9 miles. The project will require a build out of approximately 9,150 SF of existing space and 1,570 SF of new construction. The existing linear accelerator will be upgraded and replaced. The estimated project cost is \$10,512,421.00.

River Park Hospital, LLC
1559 Sparta Street
McMinnville (Warren County), TN 37110
CN1407-030

Contact Person: Joseph Mazzo, COO
Phone: 931-815-4203

APPROVED

The initiation of inpatient geriatric psychiatric services and the conversion of ten (10) medical/surgical beds to geriatric psychiatric beds. The estimated project cost is \$1,199,250.00.

Good Samaritan Society--Fairfield Glade
100 Samaritan Way
Crossville (Cumberland County), TN 38558
CN1407-031

Contact Person: Michael D. Brent, Esq.
Phone: 615-252-2361

APPROVED

The addition of 30* dually certified beds to its existing 30 bed nursing home for a total of 60 beds. The estimated project cost is \$6,520,495.00.

*These beds are subject to the 125 Nursing Home Bed Pool for 2014-2015.

TriStar Centennial Medical Center
2300 Patterson Street
Nashville (Davidson County), TN 37203
CN1407-032
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022

APPROVED

For construction and renovation to the hospital that includes: 1) the development of a Joint Replacement Center of Excellence that will include 10 additional operating rooms; 2) updates to the emergency department that will improve workflow; and 3) the addition of 29 medical/surgical beds which will increase the total licensed beds from 657 to 686. The estimated project cost is \$96,192,007.00.

GENERAL COUNSEL'S REPORT

Karing Hearts Cardiology Cardiac PET Service
701 N. State of Franklin Road Suite 2
Johnson City (Washington County), TN 36404
CN1311-046A

Contact Person: John Wellborn
Phone: 615-665-2022

DEFERRED TO NOVEMBER MEETING

Request for a project cost overrun of \$133,421 (from \$391,585 to \$525,006), an increase of 34.1%. The cost overrun is due to the following reasons: 1) A decision was made to purchase the PET unit from its owner rather than to lease it, increasing the cost by \$109,214; and 2) Moving the equipment required unforeseen special transport measures which increased the cost by \$33,500.

This project was approved on February 26, 2014 for the acquisition of Cardiac PET equipment and the initiation of services (replacing CN1304-014A the previously approved, unimplemented and now surrendered CON). On June 30, 2014, this project was implemented and the service operational.

APPLICATIONS TO BE HEARD AT THE NOVEMBER MEETING

* Princeton Transitional Care,
400 North State of Franklin Road
Johnson City (Washington County), TN 37604
CN1409-039
Contact Person: Allison Rogers, Vice President, Strategic Planning
Phone: 423-302-3378

Consent Calendar

Valley Open MRI, PC
1152 Main Street
Kimball (Marion County), TN 37347
CN1407-028
Contact Person: Jason Hatchette, Assistant Vice President
Phone: 615-550-2633

Metro Knoxville HMA, LLC d/b/a Tennova Healthcare-Physicians
Regional Medical Center
Unaddressed site at the intersection of
Middlebrook Pike and Old Weisgarber Road
Knoxville (Knox County), TN 37909
CN1408-033
Contact Person: Melanie Burgess, Vice President
of Development
Phone: 865-647-5604

Metro Knoxville HMA, LLC d/b/a Tennova Healthcare-Physicians
Regional Medical Center
Unaddressed site at the intersection of
Middlebrook Pike and Old Weisgarber Road
Knoxville (Knox County), TN 37909
CN1408-034
Contact Person: Melanie Burgess, Vice President
of Development
Phone: 865-647-5604

Parkridge Medical Center, Inc.
2333 McCallie Avenue
Chattanooga (Hamilton County), TN 37404
CN1408-035
Contact Person: Jerry W. Taylor, Esq.
Phone: 615/782-2228

The relocation of the thirty-four (34) bed skilled nursing home from James H. and Cecile C. Quillen Rehabilitation Hospital located at 2511 Wesley Street, Johnson City (Washington County), TN 37601 to Johnson City Medical Center located at 400 North State of Franklin Road, Johnson City (Washington County), TN 37604. The estimated project cost is \$21,000.00.

* These beds are not subject to the 2014-2015 Nursing Home Bed Pool.

The establishment of an Outpatient Diagnostic Center (ODC), the acquisition of magnetic resonance imaging (MRI) equipment, and the initiation of MRI services in a 4,380 square foot new building to be constructed at 1152 Main Street in Kimball (Marion County), Tennessee. The estimated project cost is \$2,370,547.00.

The construction of a partial replacement hospital and relocation of 272 of the 401 beds at the main campus of Physicians Regional Medical Center from 900 E. Oak Hill Avenue, Knoxville (Knox County), to a site at the intersection of Middlebrook Pike and Old Weisgarber Road across from Dowell Springs Boulevard, Knoxville (Knox County), a distance of approximately nine (9) miles from the current facility. The estimated project cost is \$303,545,204.00.

The replacement and relocation of the 25-bed nursing home which is located in Physicians Regional Medical Center. The nursing home proposes to relocate with the hospital from 900 E. Oak Hill Avenue, Knoxville (Knox County) to a site at the intersection of Middlebrook Pike and Old Weisgarber Road across from Dowell Springs Boulevard, Knoxville (Knox County), a distance of approximately nine (9) miles from the current facility. The estimated project cost is \$6,454,796.00.

*These beds are not subject to the 2014-2015 Nursing Home Bed Pool.

The acquisition of a second magnetic resonance imaging (MRI) unit for installation and use in 1,202 square feet of renovated space on the main campus of Parkridge Medical Center (PMC) at 2333 McCallie Avenue, Chattanooga (Hamilton County), TN. No new beds or changes in services are involved in the project. The estimated project cost is \$2,968,942.00.

(Continued on the Next Page)

APPLICATIONS TO BE HEARD AT THE NOVEMBER MEETING

The Residence at Alive Hospice--Murfreeseboro
Unaddressed Lot 13, between Williams Drive
and Carl Adams Drive
Murfreeseboro (Rutherford County), TN 37129
CN1408-037
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022

The establishment of a ten (10) bed residential hospice in Murfreeseboro (Rutherford County). The facility will be located at unaddressed Lot 13, which lies between Williams Drive and Carl Adams Drive, and is bounded by DCI Dialysis Clinic and by the Murfreeseboro medical Clinic/Surgicenter property at the intersection of Carl Adams Drive and Garrison Drive. The facility will be licensed separately as a residential hospice but will operate under the existing provider number of Alive Hospice, Inc., a licensed and Medicare-certified home care organization providing hospice care. The estimated project cost is \$10,888,816.00.

GENERAL COUNSEL'S REPORT

Karing Hearts Cardiology Cardiac PET Service
701 N. State of Franklin Road Suite 2
Johnson City (Washington County), TN 36404
CN1311-046A
Contact Person: John Wellborn
Phone: 615-665-2022

Request for a project cost overrun of \$133,421 (from \$391,585 to \$525,006), an increase of 34.1%. The cost overrun is due to the following reasons: 1) A decision was made to purchase the PET unit from its owner rather than to lease it, increasing the cost by \$109,214; and 2) Moving the equipment required unforeseen special transport measures which increased the cost by \$33,500.

DEFERRED FROM OCTOBER MEETING

This project was approved on February 26, 2014 for the acquisition of Cardiac PET equipment and the initiation of services (replacing CN1304-014A, the previously approved, unimplemented and now surrendered CON). On June 30, 2014, this project was implemented and the service became operational.

Metro Knoxville HMA, LLC d/b/a Tennova Healthcare – North
Knoxville Medical Center (f/k/a Mercy Health System, Inc. dba
Mercy Medical Center, North,
7551 Dannaher Way
Powell (Knox County), TN
CN1106-019A
Contact Person: Melanie Burgess, Vice President
of Development
Phone: 865-647-5604

Request for a one (1) year extension of the expiration date from December 1, 2014 to December 1, 2015: This project was approved on October 26, 2011 for the acquisition of a second linear accelerator to be located and utilized on the Tennova Healthcare – North Knoxville Medical Center campus. The project cost is \$4,694,671.00.

Campbell Clinic Surgery Center
1410 Brierbrook Road
Germantown (Shelby County), TN 38138
CN1208-040A
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022

Request for a twenty-four month extension of the expiration date from January 1, 2015 to January 1, 2017: This project was approved on November 14, 2012 for expansion of the surgery center by adding approximately 21,000 SF of space. The ASTC is limited to orthopaedics and pain management. The project cost is \$13,277,258.00.

APPLICATIONS TO BE HEARD AT THE DECEMBER MEETING

*Morristown-Hamblen Hospital
908 West Fourth North Street
Morristown (Hamblen County), TN 37814
CN1410-043
Contact Person: Mike Richardson, Vice President, Strategic
Planning & Development
Phone: 865-531-5123

Consent Calendar

The initiation of a mobile lithotripsy service two (2) days per week on the hospital campus. The estimated project cost is \$328,900.00.

Implanted Pump Management, LLC
200 Prosperity Place, #102
Knoxville (Knox County), TN 37923
CN1407-027
Contact Person: Melissa Hess, Director of Nursing
Phone: 201-475-9635

The establishment of a home care organization and the initiation of home health services limited to intrathecal pump services. The parent office will be located at 200 Prosperity Place #102, Knoxville (Knox County), TN 37932. There are no branch offices proposed for this project. The service area includes all 95 counties in Tennessee. The estimated project cost is \$13,038.00.

Chattanooga-Hamilton County Hospital Authority
d/b/a Erlanger Medical Center
975 East 3rd Street
Chattanooga (Hamilton County), TN 37403
CN1409-038
Contact Person: Joseph M. Winick, Sr. Vice President,
Planning & Business Development
Phone: 423-778-7274

The acquisition of a 3.0 T Magnetic Resonance Imaging (MRI) scanner at Erlanger Medical Center, 975 East 3rd Street, Chattanooga (Hamilton County), Tennessee. The estimated project cost is \$4,597,711.00.

St. Jude Children's Research Hospital
315 Danny Thomas Place
Memphis (Shelby County), TN 38105
CN1409-040
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022

Modification of a hospital requiring a capital expenditure greater than five (5) million dollars and the addition of two (2) licensed beds. Fifty-four (54) acute care beds will be located on what are presently three (3) shelled floors (floors 3-5) to be finished in the Kay Research and Care Center. Fifty-two (52) of the beds will be replacement beds and two (2) will be new licensed beds. The project will also finish out two shelled-in connectors to an adjoining building and relocate Respiratory Therapy. The project will increase the licensed bed capacity from seventy-eight (78) to eighty (80) beds. The estimated project cost is \$62,500,516.00.

Sumner Regional Medical Center (Sumner
Station Campus)
225 Big Station Camp Road
Gallatin (Sumner County), TN 37066
CN1409-041
Contact Person: Michael Herman, Chief
Operating Officer
Phone: 615-328-6695

The initiation of a positron emission tomography (PET) service at the existing Sumner Station outpatient campus. The project will also include the build-out of approximately 1,425 SF of existing space and the purchase of a PET/CT system. The estimated project cost is \$2,887,845.00.

(Continued on the Next Page)

APPLICATIONS TO BE HEARD AT THE DECEMBER MEETING

University of Tennessee Medical Center (UTMC)
1924 Alcoa Highway
Knoxville, (Knox County), TN 37920
CN1409-042
Contact Person: Jerry W. Taylor, Esq.
Phone: 615-782-2282

Modification of a hospital requiring a capital expenditure greater than five (5) million dollars and the addition of forty-four (44) licensed beds. The project includes renovation and new construction totaling approximately 55,302 SF in the following areas:

1. The expansion and renovation of its Neonatal Intensive Care Unit (NICU) consisting of approximately 9,758 SF of new construction and renovation of 15,432 SF;
2. The addition of approximately 16,850 SF of new space and renovation of approximately 1,262 SF of existing space, which will house a new addition to the Intensive Care Unit (ICU); and
3. The renovation of approximately 12,000 SF of existing space to convert it from non-inpatient care space to inpatient rooms.

Twenty-eight (28) of the forty-four (44) beds are anticipated to be allocated as Medical/Surgical beds and sixteen (16) as ICU beds. The project will increase the licensed bed capacity from 581 to 625. The estimated project cost is \$26,292,001.00

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~~The Residence at Alive Hospice--Murfreesboro~~
~~Unaddressed Lot 13, between Williams Drive~~
~~and Carl Adams Drive~~
~~Murfreesboro (Rutherford County), TN 37129~~
~~CN1408-037~~
~~Contact Person: John L. Wellborn, Consultant~~

~~The establishment of a ten (10) bed residential hospice in Murfreesboro~~
~~(Rutherford County). The facility will be located at unaddressed Lot 13,~~
~~which lies between Williams Drive and Carl Adams Drive, and is bounded~~
~~by DCI Dialysis Clinic and by the Murfreesboro medical Clinic/Surgical Center~~
~~property at the intersection of Carl Adams Drive and Garrison Drive. The~~
~~facility will be licensed separately as a residential hospice but will operate~~

No Applications to be reviewed.

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NOTES

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APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>MEETING DATE</u>
Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus - The Highland Rim Tullahoma, Coffee County CN1307-023D	25.00-125471J	Appeal of Denial of CON	3/26/2014
East Tennessee Radiation Therapy Services Knoxville, Knox County CN1108-030ADA	25.00-115208J	Appeal of Approval of CON	12/14/2011
HealthSouth Rehabilitation Hospital of Williamson County Franklin, Williamson County CN1012-059A	25.00-111868J	Appeal of Approval of CON	3/23/2011
Maxim Healthcare Services, Inc. Johnson City, Washington County CN1405-015A	25.00-128198J	Appeal of Approval of CON	8/27/2014
Medical Care, PLLC Elizabethton, Carter County CN1303-006D	25.00-122463J	Appeal of Denial of CON	7/24/2013
Middle Tennessee Rehabilitation Hospital, LLC Franklin, Williamson County CN1012-055D	25.00-111868J	Appeal of Denial of CON	3/23/2011
SBH-Kingsport, LLC Kingsport, Sullivan County CN1312-050A	25.00-126908J	Appeal of Approval of CON	6/25/2014
Tri-Cities Holdings LLC d/b/a Trex Treatment Center Johnson City, Washington County CN1303-005D	25.00-122076J	Appeal of Denial of CON	6/26/2013

HEALTH SERVICES AND DEVELOPMENT AGENCY MEMBERS

D. Lynn Johnson
(Consumer, Speaker of the House)

Charlotte C. Burns
(Hospital)

Claudia H. Byrd
(Consumer, Speaker of the Senate)

Robert Doolittle
(Consumer, Governor)

Martin D. Fleming, M.D.
(Physician)

Thom Mills
(Home Care)

Mark Flora, M.D.
(Ambulatory Surgical Treatment
Centers)

James L. Wright
(Nursing Home)

Keith Gaither, Designee
for Director of TennCare
Darin J. Gordon

Jaclyn Austin, Designee
for Comptroller
Justin Wilson

Lisa Jordan, Designee
for Commerce & Insurance
Commissioner
Julie Ann McRee